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BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT  
OF THE STATE OF CALIFORNIA

In the Matter of:	)	Escrow License No. 963-2341
	)	
THE COMMISSIONER OF BUSINESS	)	ORDER TO DISCONTINUE ESCROW
OVERSIGHT,	)	ACTIVITIES UNDER FINANCIAL CODE
	)	SECTION 17415
Complainant,	)	
	)	
vs.	)	
	)	
JD ESCROW, INC.	)	
	)	
Respondent.	)	
	)	
	)	

TO: JD Escrow, Inc.  
16509 Brookhurst Street  
Fountain Valley, CA 92708

Jan Lynn Owen, the Commissioner of Business Oversight ("Commissioner"), finds that:  
JD Escrow, Inc. ("JD Escrow") failed to submit its annual audit report for its fiscal year ended  
December 31, 2015, as required under Financial Code section 17406. On or about November 18,  
2015, the Commissioner notified JD Escrow in writing of the audit report's due date as well as the  
possibility of the imposition of fines if the company filed the audit report late.

1 On or about April 27, 2016, the Commissioner sent JD Escrow a demand letter requesting its  
2 audit report within ten days from the date of the letter. The written demand warned the company of  
3 potential penalties and possible suspension or revocation of its license if the report was not received  
4 within the ten-day deadline.

5 JD Escrow did not submit its audit report within the ten-day deadline. The company's audit  
6 report is now over 64 days late.

7 Based upon the foregoing, JD Escrow is conducting its escrow business in such an unsafe and  
8 injurious manner as to render further operations hazardous to the public or to customers.

9 Financial Code section 17415 provides as follows:

10 (a) If the commissioner, as a result of any examination or from any  
11 report made to him or her, shall find that any person subject to this  
12 division is in an insolvent condition, is conducting escrow business in  
13 such an unsafe or injurious manner as to render further operations  
14 hazardous to the public or to customers, has failed to comply with the  
15 provisions of Section 17212.1 or 17414.1, has permitted its tangible net  
16 worth to be lower than the minimum required by law, has failed to  
17 maintain its liquid assets in excess of current liabilities as set forth in  
18 Section 17210, or has failed to comply with the bonding requirements  
19 of Chapter 2 (commencing with Section 17200) of this division, the  
20 commissioner may, by an order addressed to and served by registered  
21 or certified mail or by personal service on such person and on any other  
22 person having in his or her possession or control any escrowed funds,  
23 trust funds or other property deposited in escrow with said person,  
24 direct discontinuance of the disbursement of trust funds by the parties  
25 or any of them, the receipt of trust funds, the delivery or recording of  
26 documents received in escrow, or other business operations. No person  
27 having in his or her possession any of these funds or documents shall  
28 be liable for failure to comply with the order unless he or she has  
received written notice of the order. Subject to subdivision (b), the  
order shall remain in effect until set aside by the commissioner in  
whole or in part, the person is the subject of an order for relief in  
bankruptcy, or pursuant to Chapter 6 (commencing with Section  
17621) of this division the commissioner has assumed possession of the  
escrow agent.

(b) Within 15 days from the date of an order pursuant to subdivision  
(a), the person may request a hearing under the Administrative  
Procedure Act, Chapter 5 (commencing with Section 11500) of  
Division 3 of Title 2 of the Government Code. Upon receipt of a  
request, the matter shall be set for hearing to commence within 30 days

1 after such receipt unless the person subject to this division consents to a  
2 later date. If no hearing is requested within 15 days after the mailing or  
3 service of such notice and none is ordered by the commissioner, the  
4 failure to request a hearing shall constitute a waiver of the right to a  
hearing. Neither the request for a hearing nor the hearing itself shall  
stay the order issued by the commissioner under subdivision (a).

5 NOW, THEREFORE, GOOD CAUSE APPERING, it is hereby ORDERED, under Financial  
6 Code section 17415, that JD Escrow, Inc. immediately discontinue acceptance of any new escrow or  
7 joint control business, and of money, documents or other property in connection therewith. This order  
8 is to remain in full force and effect until further order of the Commissioner.

9 DATED: July 18, 2016

10 Los Angeles, CA

JAN LYNN OWEN

Commissioner of Business Oversight

11  
12 By \_\_\_\_\_

13 MARY ANN SMITH

14 Deputy Commissioner

15 Enforcement Division  
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